

SENATE BILL 2674
By McLeary

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, Part 3, to exempt certain items sold by
nonprofit organizations from sales and use taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-348(a), is amended by deleting the subsection in its entirety and by substituting instead the following language:

(a) There is exempt from the provisions of this chapter the sale at retail of used clothing and used household items, if such clothing or household items, are sold by an institution or organization which has received a determination of exemption from the internal revenue service under 26 U.S.C. § 501(c)(3).

SECTION 2. Tennessee Code Annotated, Section 67-6-348(f), is amended by deleting the subsection in its entirety and by substituting instead the following language:

(f) For purposes of this section, unless the context otherwise requires:

(1) "Clothing" means all human wearing apparel suitable for general use;

and

(2) "Household items" means all furnishings, furniture, small appliances,

and other merchandise suitable for general home use.

SECTION 3. This act shall take effect July 1, 2006, the public welfare requiring it.